

# Access to High Quality Early Learning for Washington's Young Children

Presentation of Round II Analyses  
Early Learning Council Meeting  
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# Agenda

- Purpose of Study
- Guiding Principles
- Steering Group Specifications for Round II
- Costs of Round II Specifications

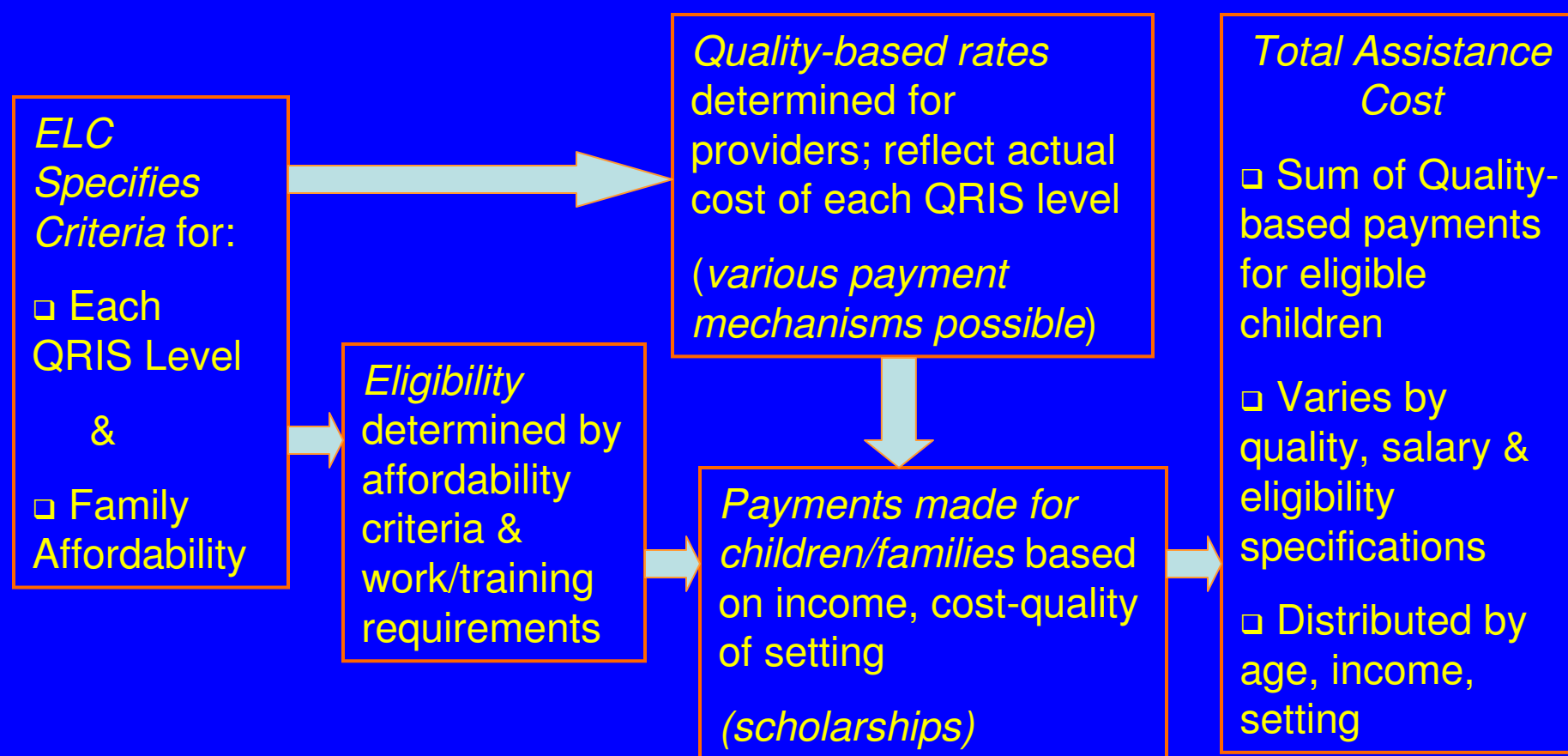
# Purpose of Study

- ❑ Assist the ELC to consider alternative policies that provide all young children in Washington access to high quality early learning
- ❑ Analysis encompasses but is not limited to QRIS
- ❑ Analyze costs, impact on family affordability, and targeting of funds, for alternative policy packages
- ❑ Design and implementation issues will remain

# Guiding Principles

1. High quality early learning-- essential to children's healthy development and school readiness
2. A market-based approach— financial access and choice for families with incentives and requirements for quality
3. All settings, including parents
4. Specialized professional training and education
5. Adequate compensation
6. Cost-effective solutions

# The Relationship Among QRIS, Reimbursements Based on Quality, & Financial Access



# Scope of Specifications

- Quality
- Financial Access
- Scope of Services
- Governance and Implementation
- Phase-In Approach

# Quality Specifications

- Moderate salary schedule
- Professional Development
- Ratios at each QRIS level
- Staff Mix

# Financial Access Specifications

- Eligibility:
  - Work/school/training requirement for all families;
  - Expanded eligibility for families in work/school transition
- Affordability:
  - Family portion of child care costs increases as income increases
  - Families pay no more or less than current payments
  - Income cut-off for assistance: Just over 3x Federal Poverty Line (~\$62,000 for family of four)



# Scope of Services

- FFN Support
  - Infrastructure, resources and information, play & learn, facilitated workshops, evaluation
- Parent Support
  - Needs assessment and evaluation, infrastructure, home-visiting, parent education
- ECEAP Child Care Partnerships
  - Provide access regardless of work requirement
  - Expand to B-3

# Governance & Implementation

- State infrastructure (statewide)
  - State advisory group, CCR&R, MIS
- QRIS implementation costs (phase-in)
  - QRIS grants, accreditation fees, external assessment, training infrastructure
- Evaluation and Baseline Assessment of Child Care Quality and School Readiness (phase-in)
- Costs of administering benefits

# Phase-In Approach

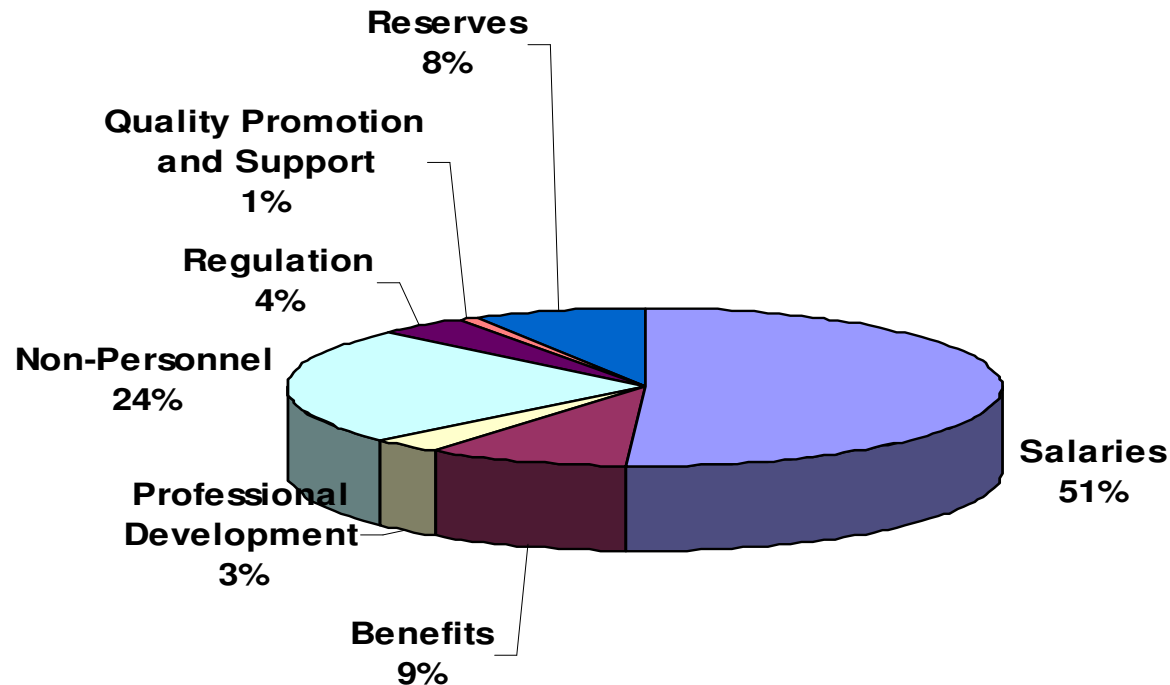
- Phase-In approach for QRIS, Family Support and FFN
  - 15% of state in 2007-2008
  - 25% of state in 2008-2009
- Raise floor of current subsidies to 50<sup>th</sup> percentile market rate for remainder of state
- Invest in statewide infrastructure

# Increased State Costs for Access Study Option

<b>Cost Category</b>	<b>Statewide (2006 Millions \$)</b>	<b>Inflation- Adjusted Phase-In Cost 2007-08 (15%), (Millions \$)</b>	<b>Inflation- Adjusted Phase-In Cost 2008-09 (25%), (Millions \$)</b>	<b>Biennium Costs</b>
Early Learning Including FFN Support, Governance and Implementation, Administration of Benefits	353	64	101	<b>165</b>
Parent Support and Education w/ Statewide Infrastructure	37	7	11	<b>18</b>
ECEAP/CC Partnerships	43	7	11	<b>18</b>
Raise child care subsidy reimbursement rates to 50 <sup>th</sup> percentile for remainder of state	N/A	13	11	<b>24</b>
<b>TOTAL</b>	<b>433</b>	<b>91</b>	<b>134</b>	<b>225</b>

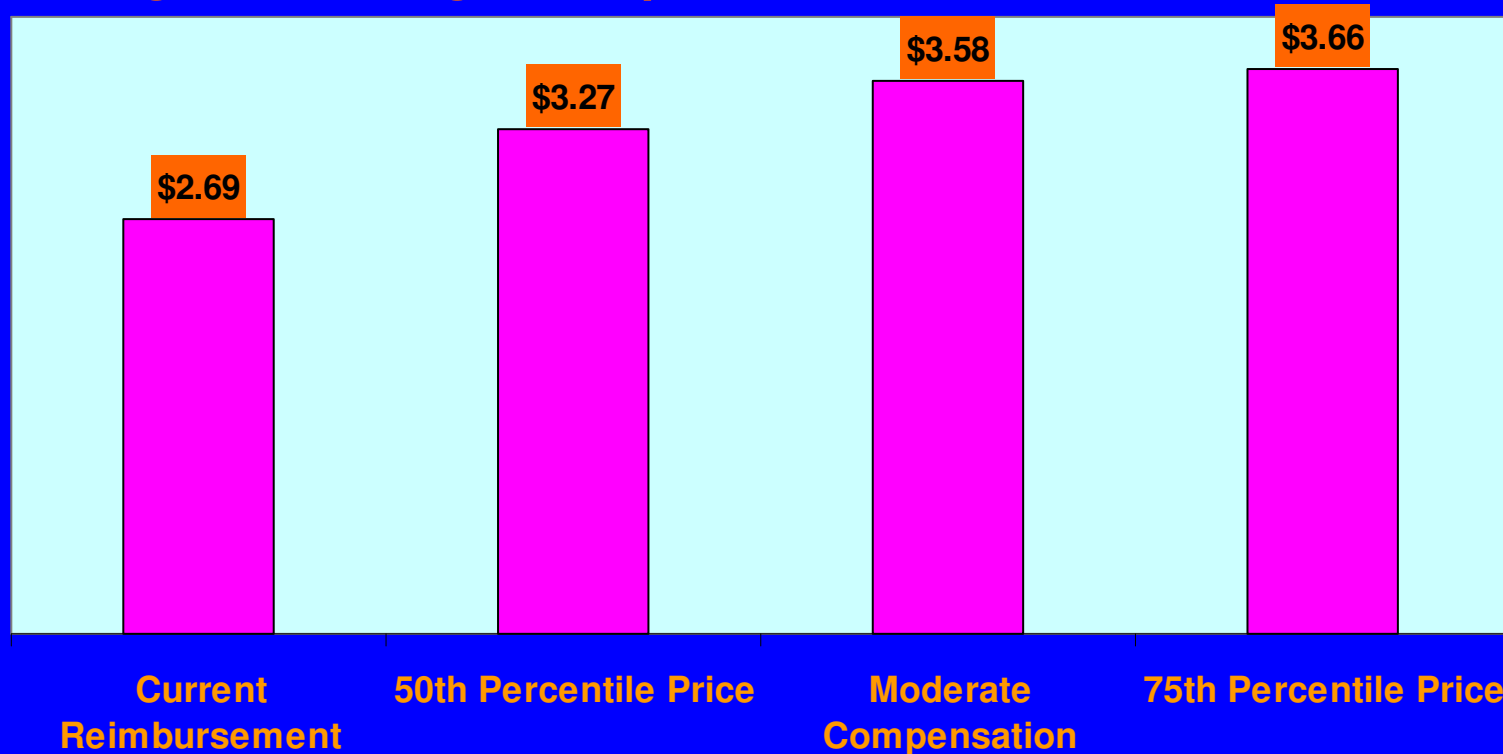
# Extra Slides

## Hourly Cost Components for Center Care, Moderate Cost Option, Toddlers



- ❑ Quality promotion, regulation and professional development = 8%
- ❑ Hourly cost components vary slightly by age group and between moderate and higher cost options.

## High Quality Center Costs vs. Current Prices and Reimbursement Rates, Average Across Age Groups, QRIS Levels



- ❑ Moderate salary option yields costs close to 50<sup>th</sup> percentile prices; 33% higher than current state reimbursement rate
- ❑ Round II hourly costs approximately the same as Round I

# Example of Income-Related Scholarship

- QRIS Level 3 - Moderate Compensation; for higher compensation, scholarship would increase, family payment would not increase.
- Toddler at a Center
- Hourly cost = \$4.04; Monthly Cost (40 hrs/wk) = \$695

<i>Family Income</i>	<i>Family Payment (Monthly, Per Child)</i>	<i>Scholarship</i>
Low < 1 FPL (\$0-20K) (1% Net Inc.)	\$8	\$687
Moderate = 1-2 FPL (\$20-40K) (3% Net Inc.)	\$63	\$632
Middle = 2-3 FPL (\$40-60K) (8% Net Inc.)	\$272	\$423
Upper-Middle = 3-3.2 FPL (\$60-62K) (14% Net Inc.)	\$535	\$160



## Example of Affordability for Family Child Care Home

- QRIS Level 3 - Moderate Compensation; for higher compensation, scholarship would increase, family payment would not increase.
- Hourly cost = \$3.47; Monthly Cost (40 hrs/wk) = \$597

<i>Family Income</i>	<i>Family Payment (Monthly, Per Child)</i>	<i>Scholarship</i>
Low < 1 FPL (\$0-20K) (1% Net Inc.)	\$8	\$589
Moderate = 1-2 FPL (\$20-40K) (3% Net Inc.)	\$63	\$534
Middle = 2-3 FPL (\$40-60K) (8% Net Inc.)	\$272	\$325
Upper-Middle = 3-3.2 FPL (\$60-62K) (14% Net Inc.)	\$535	\$62